

## Message Text

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ACTION EB-11

INFO OCT-01 ISO-00 AID-20 CEA-02 CIAE-00 COME-00 EA-11

EUR-25 FRB-02 INR-10 IO-14 NEA-14 NSAE-00 RSC-01

OPIC-12 SP-03 TRSE-00 CIEP-02 LAB-06 SIL-01 SWF-02

OMB-01 NSC-07 SS-20 STR-08 L-03 H-03 PRS-01 FEA-02

DRC-01 /183 W

----- 065649

R 071011Z MAY 74

FM AMEMBASSY ROME

TO SECSTATE WASHDC 4657

INFO USMISSION EC BRUSSELS

USMISSION OECD PARIS

USMISSION USUN NEW YORK

AMEMBASSY BERN

AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY THE HAGUE

AMEMBASSY LONDON

AMEMBASSY OTTAWA

AMEMBASSY PARIS

AMEMBASSY STOCKHOLM

AMEMBASSY TOKYO

USMISSION GENEVA

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E.O. 11652: N/A

TAGS: EFIN, OECD, IT

SUBJ: DIRECT INVESTMENT ISSUES IN THE OECD

REF: STATE 89852

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1. EMBOFF SAW MINISTRY FOREIGN AFFAIRS (MFA) REP PENSA

(DIRECTOR, OECD AFFAIRS) MAY 6 AS INSTRUCTED REFTEL TO DISCUSS INTERNATIONAL INVESTMENT ISSUES IN OECD CONTEXT.

2. PENZA WAS NOT RPT NOT FAMILIAR WITH PROBLEM. THIS MATTER HAS BEEN HANDLED BY ANOTHER OFFICER WHO WORKS FOR PENZA, BUT WHO IS CURRENTLY INPEKING ON BUSINESS FOR MFA AND WHO MAY NOT RETURN FOR SOME TIME. EMBASSY THEREFORE LEFT AIDE-MEMOIRE (DRAWN FROM REFTEL) FOR PENZA TO STUDY. HE PROMISED REVIEW FILES, BECOME FAMILIAR WITH ISSUES, CONTACT OTHER INTERESTED MINISTRIES, AND RESPOND TO QUESTION POSED IN AIDE-MEMOIRE.

3. EMBOFF EMPHASIZED USG MAY WISH USE OECD MAY 29-30 MINISTREIAL AS OCCASION TO GOVE RENEWED IMPETUS, SENSE OF SCOPE AND IMPORTANCE TO OECD'S WORK ON GUIDELINES AND CONSULTATION MECHANISMS CONCERNING DIRECT INVESTMENT ISSUES, AND URGED GOI BE PREPARED ON THIS ISSUE.

4. ACCORDING PENZA, MFA IS COORDINATING AGENCY WITHIN GOI ON THIS ISSUE. PRIMARY RESPONSIBILITY RESTS WITH MINISTRY BUDGET AND ECONOMIC PLANNING (MBEP), MINISTRY FOREIGN TRADE (MFT) AND BANK OF ITALY (BOI), WITH OTHER INPUT FROM MINISTRIES INDUSTRY AND TREASURY AND STATE OIL COMPANY ENI. TREASURY ATTACHE WILL SEE MBEP AND BOI REPS TO DISCUSS ISSUES INVOLVED; EMBOFF WILL CALL ON MFT.

5. PENZA INDICATED THAT, SINCE MINISTER BEP GIOLITTI WILL CHAIR MINISTERIAL, UNDER SECRETARY MBEP TOMMASO MORLINO WILL HEAD GOI DELEGATION AT OECD MINISTERIAL.

6. PENZA NOTED THAT MFT DIRECTOR GENERAL FRACASSI IS GOI REP ON XCSS, BUT THAT IN HIS ABSENCE RESIDENT BOI REP IN PARIS (VALLE) IS HIS ALTERNATE. LATTER USUALLY RESERVES ON MOST DECISIONS, PENZA SAID, PENDING APPROVAL FROM ROME. THIS MAY PARTLY EXPLAIN LARGE NUMBER OF RESERVATIONS BY ITALY IN XCSS INVESTMENT EXERCISE.

7. COMMENT. EMBASSY WISHES NOTE THAT GOI WILL NO DOUBT BE UNWILLING ACCEPT ANY GUIDLINES OR CODE WHICH WOULD IMPINGE UPON GOI PROGRAM FOR DEVELOPMENT OF SOUTH ITALY, SICILY AND LIMITED OFFICIAL USE

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SARDINIA. VOLPE

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** INVESTMENT LAW, INVESTMENTS, CAPITAL FLOWS, MINISTERIAL MEETINGS, COMMITTEE MEETINGS, FOREIGN POLICY POSITION  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 07 MAY 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** golinofr  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Executive Order:** N/A  
**Errors:** N/A  
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**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** STATE 89852  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** golinofr  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 02 APR 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <02 APR 2002 by boyleja>; APPROVED <11 JUN 2002 by golinofr>  
**Review Markings:**

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**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** DIRECT INVESTMENT ISSUES IN THE OECD  
**TAGS:** EFIN, IT, OECD  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005